

**Town of Westford
Joint Finance Committee / Selectmen Meeting
J.V. Fletcher Library
February 27, 2008**

Present: Dave Murray, Kelly Ross, Rose O'Donnell, Tom Price, Jeanne Drula, Al Herget, Alicia Corvino, Ingrid Nilsson, Michael Princi, Suzanne Marchand

Absent: None

7:30 PM Call to Order

Selectmen Present are Valerie Wormell, Jim Sullivan, Dini Healy-Coffin, Nancy Rosinski, and Bob Jefferies.

Dave Murray opened the meeting by saying that the discussion would be a continuation of the February 16 meeting. First, there will be a discussion on any differences regarding the budgets that came out of the last meeting. Then there will be a discussion about capital.

Discussion – Continuation of Budget Discussion from 2-16-08

Suzanne Marchand explained the changes made to the budget since last Saturday. First, the General Insurance budget needed to be increased by \$180,000.00. Then the police department decreased their overtime budget by \$30,000.00, and then increased the police chief's salary line item. Also, the police are now recommended to get three cruisers instead of two. The Recreation Department also had a slight change in their direct and indirect costs.

Norman Khumalo said that the Board of Health budget is still being reviewed. He is still waiting on some further information before making a final recommendation.

Marchand asked the Finance Committee and Selectmen not to make any decisions on the operating budget until we are closer to the deadline. The Web Article will not be posted until the Board of Health budget is finalized.

Khumalo also noted that Chief Rochon is preparing a report regarding the overtime discussion from the February 16th meeting. The analysis will show whether or not it is cost effective to hire a “floater” fire fighter rather than increase the overtime budget.

Marchand noted that the School budget is a carry forward budget with a 3.68% increase from Fiscal Year 2008. Olsen said there is an \$806,000 difference between the Town Manager Recommended budget and the School Committee budget. Olsen met this morning with a leadership team and they were able to trim another \$393,000 off of the School Committee budget, which leaves a \$413,000 gap between the two budgets.

Among those items that are being looked at include a Literacy Program for the elementary schools, academic coaches for the middle schools, and Mandarin classes for the high school. Also, supplies and materials may be cut, but Olsen said that the small cuts made to each department have no major impact felt by the community. However, not implementing an initiative, such as offering Mandarin at the high school, will get responses. The schools are looking to offer regional transportation to other towns as a way to generate revenue.

Ross asked if the schools had an extra \$400,000.00, and the Fire Department was given an extra \$250,000 to hire the eight firefighters, would it be possible for that money to be absorbed into the budget. Could closeouts be higher than expected? Also, will there be a new hotel tax next year? Marchand said that the scenario was possible, and there could be additional fees if Cornerstone was approved. However, it is up to the Selectmen and Finance Committee to recommend going below minimum recommended reserves.

Marchand also noted that the tax impact has been so small in the past couple of years that the Town missed an opportunity to get an override passed. Khumalo stated that the schools and fire department are not just a \$650,000 problem. The outlying years become

much more expensive, especially in the case of the Fire Department where the costs of the firefighters are not being offset as much by the grant awarded to the Town.

Marchand said that for both the perchlorate problem and Town Hall, \$400,000 have been set aside in capital for fiscal year 2009.

Price asked how far over budget the Town is on their snow removal costs. Marchand noted that costs so far to date are around \$400,000.00.

Price asked whether or not the Town should eliminate the \$1.3 million Solid Waste line item from the budget. Sullivan also noted that the Town should look into only supplying one trash can, or a pay as you throw program.

O'Donnell and Nilsson wanted to examine what services and positions are mandated by the Town.

The discussion shifted back to the schools and Rosinski suggested that the schools should eliminate a program if they find that a new initiative that is more important. Sullivan also noted that all of the SPED costs are covered by the Town Manager's budget, and the schools have \$125,000 for new initiatives.

Discussion – Capital

Marchand said there was \$6,448,000 in capital requests for Fiscal Year 2009. The Town Manager's recommended capital budget is \$779,500.00. The Town Manager also recommended several capital items as part of a capital outlay exclusion for \$1,468,000. The average tax increase per family will be \$200 for one year if the capital outlay exclusion is approved.

O'Donnell asked what kind of override would be needed to solve the Town's structural problem. Marchand said that she would estimate around \$7,000,000.

Murray asked if residents would be able to choose the capital items they would recommend if a capital outlay exclusion were to take place. Marchand said that this has to be the case.

Drula warned that if the Town asked for a Capital Outlay Exclusion and then an override, the residents would not support it.

Price noted that the Town is currently trying to spend \$1.5 million a year on capital costs. How much more needs to be spent to maintain the Town's infrastructure? Jefferies responded by saying \$1.5 million would have covered the capital needs, but the money was spent on operational costs instead.

Ross said that the Town Meeting is two months away and there won't be time to convince anyone to support an override or capital outlay exclusion. O'Donnell suggested using this years Town Meeting to plan ahead for next year.

Adjourn

9:30 – O'Donnell motioned to adjourn. Princi seconded the motion which was approved unanimously, 9-0.

Reserve Fund Balance FY08: \$89,510.25

Signed, Dave Murray
Finance Committee Chairman

Date